



## ANNUAL USE OF CAPITAL SURVEY - 2009

## NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Wells Fargo &amp; Company

Person to be contacted regarding this report:	James E. Hanson
CPP Funds Received:	\$25,000,000,000
CPP Funds Repaid to Date:	\$25,000,000,000
Date Funded (first funding):	10/28/2008
Date Repaid <sup>1</sup> :	12/23/2009

RSSD: (For Bank Holding Companies)	1120754
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	
City:	San Francisco
State:	California

<sup>1</sup>If repayment was incremental, please enter the most recent repayment date.

*American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.*

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

<input type="checkbox"/> Increase lending or reduce lending less than otherwise would have occurred.	Wells Fargo & Company ("Wells Fargo") did not segregate TARP CPP funds from other capital or sources of funding. In 2009, Wells Fargo continued to make credit available to help the nation's recovery, and provided \$711 billion in loans and lines of credit.
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<input type="checkbox"/>	<p>To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).</p>	<p>As noted above, Wells Fargo continued to make credit available, providing \$711 billion in credit in 2009, including \$420 billion in residential mortgage and home equity loans, \$248 billion in commercial and commercial real estate, and \$43 billion in credit card, auto and other consumer loans.</p>
<input type="checkbox"/>	<p>Increase securities purchased (ABS, MBS, etc.).</p>	<p>In 2009, Wells Fargo's net MBS/ABS securities purchases were \$47 billion.</p>
<input type="checkbox"/>	<p>Make other investments</p>	<p>Not applicable.</p>
<input type="checkbox"/>	<p>Increase reserves for non-performing assets</p>	<p>Our methodology for determining reserves for non-performing assets was not impacted by receipt of TARP CPP funds.</p>

<input type="checkbox"/>	Reduce borrowings	Wells Fargo did not segregate TARP CPP funds from other capital or sources of funding. The level of required borrowings takes into account any number of factors, including Wells Fargo's solid deposit growth, which totalled \$43 billion in 2009.
<input type="checkbox"/>	Increase charge-offs	Our methodology for determining charge-offs was not impacted by receipt of TARP CPP funds. Charge-offs demonstrate whether customers are able to repay their loans, reflecting customer behavior, economic conditions, home prices and unemployment.
<input type="checkbox"/>	Purchase another financial institution or purchase assets from another financial institution	During 2009, Wells Fargo did not acquire any financial institutions.
<input type="checkbox"/>	Held as non-leveraged increase to total capital	Wells Fargo did not segregate TARP CPP funds from other capital or sources of funding. Wells Fargo actively made loans and purchased investment securities throughout 2009.

What actions were you able to avoid because of the capital infusion of CPP funds?

Wells Fargo did not segregate TARP CPP funds from other capital or sources of funding. Insofar Wells Fargo had TARP CPP funding in 2009 prior to full repayment December, it may not have been required to incrementally borrow additional funds in the public markets to satisfy loan demand and investment objectives. We note that in 2009 Wells Fargo raised \$21 billion in two, over-subscribed, public offerings, reflecting strong support for Wells Fargo's business model. In addition, during 2009, Wells Fargo's total deposits increased \$43 billion which was another source of funding.

In October 2008, prior to the TARP CPP investment, Wells Fargo announced plans it anticipated raising capital of up to \$20 billion. In November, 2008, Wells Fargo completed a \$12 billion public offering, which absent the TARP CPP investment, we believe would have been even larger.

As noted above, in 2009, Wells Fargo fully repaid the U.S. Treasury Department \$25 billion, representing the U.S. taxpayers' preferred investment in Wells Fargo, plus an additional \$1.44 billion in dividends as a return on the taxpayers' investment.

In summary, during the 15 months such TARP CPP funds were outstanding, Wells Fargo was "open for business" and provided \$804 billion in loans and lines of credit to individuals and businesses - 32 times the initial investment. Over this time period, Wells Fargo also made net MBS/ABS securities purchases of 54 billion.

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

None.

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.

None.